

City of Winchester
Community Development Block Grant Program
Annual Action Plan
FY 2007
July 1, 2006- June 30, 2006

Executive Summary

Consolidated Plans and annual Action Plans are required from all jurisdictions receiving annual entitlements from the U.S. Department of Housing and Urban Development (HUD). The City of Winchester completed a Consolidated Plan in 2004 which includes a plan for the use of funds provided through the Community Development Block Grant (CDBG) Program over the five (5) year period from 2004-2008. The Annual "Action Plan" is prepared as part of that requirement and serves as the strategic plan for achieving the goals identified in the Consolidated Plan.

This plan, "2006 Annual Action Plan", details the proposed priority programs and related budget for the fiscal year 2007. This report will be submitted to the U.S. Department of Housing and Urban Development (HUD) in May of 2006. The 2006 Annual Action Plan covers the same program area as the Consolidated Plan: CDBG.

Examples of programs include single family rehabilitation, multi-family rehabilitation, emergency home repair, neighborhood beautification projects, and homeownership programs. A full list of programs and descriptions is located in the body of the Action Plan. All programs funded by CDBG funds must be consistent with HUD's three National Objectives:

1. Benefit low- and moderate-income persons;
2. Aid in the prevention or elimination of Slums or blight; and
3. Meet a need having a particular urgency.

The Office of Housing and Neighborhood Development administers and oversees all projects related to the Community Development Block Grant Program. The Department works with other departments and local community organizations to achieve the goals described in the Consolidated and Action Plans.

The Community Development Block Grant Advisory Team was established in 2004 as an advisory group to staff administering the CDBG Program. The Advisory Team was merged with the Housing Authority Study Committee (established in May, 2005). As a result, the Community Development Committee (formed in January, 2006) provides input, assists staff in outreach to the community and makes final recommendations for program funding to City Council for approval of Consolidated and Action Plans as well as other activities related to housing and neighborhood development. The Community Development Committee also reviews and confirms approval of all subrecipient applications.

Community Description

Winchester, founded in 1744, is the oldest Virginia City west of the Blue Ridge Mountains. Located at the northern entrance of the Shenandoah Valley, the City encompasses 9.3 sq. miles and is the medical, industrial, commercial and agricultural center for the surrounding areas. The City has a population of approximately 25000 with 6,600 single family homes and over 3,500 multi-family dwellings.

Winchester is a community with a rich heritage and a dynamic future. It is the home of General Stonewall Jackson's Headquarters, occupied by General Jackson during the winter of 1861-62; George Washington's Office where he spent much of his time in Winchester from 1748 till 1758; and the home of the country singing legend Patsy Cline. The area is replete with historical sites and visitor attractions.

Community Development Needs

The eligibility threshold for community development programs, as defined by HUD, is persons and families whose household income is 80% of the area median income or below. Within this category are several sub-categories. Very low-income families, for example, are those whose income is between 0 and 30% of the area median income. Low-income families are defined as those whose income is between 30 and 50% of the area median income. Qualifying moderate-income families have incomes between 50 and 80% of area median income.

Detailed income and poverty data is available from the 2000 Census. According to the 2000 Census, there were 10,321 households in Winchester at the time of the count. Using HUD criteria, 2,567 households were considered low-income, with incomes at 50% of the area median income or below. Another 2,158 households were determined to be moderate-income, with incomes between 50 and 80% of area median income. The total number of households in Winchester that could be classified as low- and moderate-income was 4,725 or 47.4% of the City's households.

Plan Development Process

A summary of the 2006 Annual Action Plan was provided to the public via a newspaper advertisement that was published on March 26, 2005 as well as posted on the City's website at www.winchestervva.gov/ohnd/. The draft plan was made available upon request by any citizen or organization interested in the contents for a 30-day public comment period during the month of April.

To ensure the public could participate in this review process, copies of the Plan were also made available at each of the public meetings held for input and comment on the Plan. Copies were also made available at the Handley Regional Library, City Hall and the Office of Housing and Neighborhood Development. The public comment period officially ended on May 9, 2006. At that time, Council approved the final Plan for submission to HUD.

Citizen Participation

The City of Winchester's Citizen Participation Plan provides guidance to staff in soliciting input from residents citywide about issues they face in and around their neighborhoods. Adopted in 2004, and amended in 2005, the Plan outlines specific methods through which staff can increase the level of participation in the consolidated planning process. Staff began soliciting information for the 2006 program year in spring, 2006 with a series of three public input meetings. The purpose of the meetings was to receive comments on the previous 2005 program year, as well as input for use of funds in the upcoming 2006 program year.

Meetings were held on February 28th, March 2nd, and March 6th at accessible neighborhood locations.

Each meeting begins with a brief introduction of the Entitlement Program, including funding information, eligible activities, and a report of prior CDBG projects. Attendees are then welcome to discuss their ideas for usage of funds and needs in the City through a facilitated process. The discussions focused on several key issues: housing conditions, housing affordability (Section 8, etc), condition of public infrastructure in some neighborhoods- parks, sidewalks and street lighting, crime, and services and facilities for youth and elderly in the community. Residents of the North End Target Area were very interested in seeing improvements in the Douglass Community Park including landscaping, new play equipment, and programming.

Citizen comments regarding the City's Community Development activities are always welcome, but were officially requested regarding the 2006 Annual Action Plan April 1-30. Citizens were encouraged to provide input regarding the proposed 2006 Action Plan at City Council and Community Development Committee meetings during the months of March and April. On May 9, 2006, after a public hearing, discussion and vote, Council approved the 2005 Annual Action Plan and directed staff to forward this plan to the Department of Housing and Community Development for review and approval.

The City of Winchester- staff as well as councilors- has gained valuable information from the public regarding housing issues in the city through a variety of methods not specifically related to the Community Development Block Grant Program. Council has become increasingly interested in the support of neighborhood empowerment programs, and has directed staff to explore and develop programs that will increase communication between staff and residents regarding community issues. Immediate results of this initiative include the increase of police patrol in high-incident areas as well as a direct request from the North End Citizens Association to Council to assist citizens in developing a new Neighborhood Watch program.

Objectives and Outcomes

The 2006 Annual Action Plan proposes use of CDBG funds for the following Program Areas:

Administration:	\$52,072
<u>Neighborhood Improvements:</u>	<u>\$208,289</u>
Total Funds:	\$260,561

The FY 2007 allocation of CDBG funds committed to Neighborhood Improvements will be directed toward making necessary improvements to neighborhood infrastructure including sidewalks, streetlights and landscaping. CDBG funds will be leveraged with local and other grant funds to complete a streetscape project spanning two (2) city blocks. This project will complete an overall downtown revitalization project that began in 2003. The project was originally funded in part by the Virginia Department of Housing and Community Development in conjunction with the construction of the Our Health Community Services Campus.

The balance of the FY 2007 allocation of CDBG funds will be committed to the administration of the CDBG Program including staff and management costs. Administrative costs will be used to fund the position of the Neighborhood Development Coordinator, whose responsibilities include the administration, management and oversight of all CDBG funded projects. In addition, staff will undertake the solicitation and procurement of services to complete an Analysis of Impediments to Fair Housing and explore the feasibility of establishing a Lead Based Paint Initiative. Staff is also responsible for coordination of the City's input into the Continuum of Care Planning Process and Strategies to address homeless needs in the City of Winchester through the Anti-Poverty Strategy.

Evaluation of Past Performance

FY 2007 marks the third CDBG Program year in the City of Winchester. To Date, the City has received \$595,486 from HUD through the CDBG Entitlement Program. Since 2004, the City has allocated CDBG funds to activities including Homeowner Rehabilitation, Homeownership and Neighborhood Improvements. \$119,098 (20% of the annual allocation) was expended on administrative costs.

To date, the City has leveraged \$326,912 in CDBG funds to begin the creation of eleven (11) new homeownership opportunities to eligible low- and moderate-income homebuyers [nine (9) new construction and two (2) rehabilitations]. Five homes are scheduled for completion and occupancy by the end of 2006 (calendar) and the remaining six (6) will be completed and occupied by the end of 2007.

The remaining \$149,476 in CDBG Program Funds are allocated to a Rehabilitation Program (\$99,476) and Neighborhood Improvement Program (\$50,000). The Rehabilitation Program will begin in coordination with the beginning of the 2007 fiscal year. Staff has spent the last year researching and creating guidelines for a rehabilitation loan program. The Neighborhood Improvements are scheduled to take place in early 2007. Improvements will include installation of play equipment, landscaping, screening and buffers. Staff with the Office of Housing and Neighborhood Development will coordinate with Parks and Recreation staff to facilitate neighborhood meetings to ensure that the planned improvements are consistent with the expectations of the community. Final plans for the improvements will be submitted to the Parks and Recreation Department and Advisory Board for approval.

In 2005, the Winchester City Council committed \$500,000 from the General Fund for increasing opportunities for Homeownership to residents of the City of Winchester and improving overall housing conditions. Staff, by approval of the Community Development Committee has allocated those funds toward the creation of an Employer Assisted Housing Program, and the creation of additional homeowner assistance programs. As a result of this new source of funding for homeownership, the CDBG funds have been allocated for this program year to neighborhood oriented improvements.

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FY 2007 Annual Action Plan for Use of CDBG funds

Sources of Funds

Housing and Community Development funding resources for the Winchester area include the HUD Housing Choice Voucher Program, McKinney-Vento Homeless Assistance Act funds, Community Development Block Grant Funds, and local funds. The sum of these sources provides the funds available to address identified housing and community development needs in the City of Winchester. The City of Winchester benefits from the HUD Housing Choice Voucher Program, as well as some resources provided through the McKinney-Vento Homeless Assistance Act. These two programs serve areas larger than the City of Winchester. To date, the City has not accumulated program income as a result of its CDBG programs, though anticipates reporting program income in the future.

HUD Housing Choice Voucher Program

The City of Winchester is the administrative agent for the HUD Housing Choice Voucher Program. The City, working on behalf of the Virginia Housing Development Authority (VHDA) serves the localities of Winchester City, Frederick and Clarke Counties. The Current allocation of vouchers for the service area is two-hundred thirty (230). Currently there are about one-hundred thirty (130) vouchers leased in the City of Winchester alone.

McKinney-Vento Homeless Assistance Act Programs

McKinney-Vento Homeless Assistance Act Programs are administered by the regional Community Services Board, Northwestern Community Services (NWCS). NWCS currently administers three McKinney-Vento Programs including Projects for Assistance in Transition from Homelessness (PATH), Supportive Housing Program (SHP) and Shelter Plus Care (S+C). Each of the three programs serves the entire planning district, which includes Winchester City and the Counties of Clarke, Frederick, Page, Shenandoah and Warren. Funds are distributed on a first come- first serve basis. Over the last ten years, clients in the City of Winchester and Frederick County have received the majority of funds due to the greater concentration of homeless persons in these localities relative to the others in the district.

The PATH program is awarded through the Virginia State Department of MHMRSAS and is operated on a fiscal year July-June basis. NWCS has requested almost fifty thousand dollars (\$50,000) for the upcoming program year. The funds will be used to provide outreach to the homeless population, as well as referral and connection to social and health service.

SHP is funded directly from HUD and is operated as a Permanent Housing Program from February through January. NWCS was awarded funds for all of 2006 and will request approximately \$200,000 for the 2007 program year. SHP provides housing and supportive services to homeless people with disabilities.

S+C is also funded directly from HUD and is operated from August through July. NWCS will request approximately \$200,000 for the upcoming program year. The program provides long term housing and supportive services for homeless people with disabilities.

Community Development Block Grant Program

The City of Winchester will receive \$260,361 from HUD through the Community Development Block Grant Program in July, 2006. The program is operated July- June and will provide for necessary public improvements in low income neighborhoods in the City. In the previous two years of operation, the CDBG Program has funded projects that promote Homeownership, Rehabilitation and Neighborhood Improvements, the three major priorities identified in the 2004 Consolidated Plan. The CDBG Program is administered by the City of Winchester and funds are currently targeted to the North End Target Area (see attached map).

Statement of Specific Annual Objectives

The City of Winchester established three major priorities in the 2004 Consolidated Plan: Homeownership, Rehabilitation and Neighborhood Improvements. Each subsequent Action Plan has described the City's efforts to commit funds to projects that will address the identified priorities. Last fiscal year (2005) the Winchester City Council committed local funds to assist in efforts to address affordable housing needs in the community. To date, City Council has approved and budgeted \$500,000 for activities relating to the promotion of homeownership in the City of Winchester. Together, these funds have allowed the City to fund the following activities:

Priority 1: Homeownership

Activity	Recipient	Funds	Source	Outcomes
Fairview Avenue Rehabilitation Project	Housing Action, NSV	\$24,000	Local	2 rehabilitated houses for homeownership
Watson Avenue Rehabilitation Project	AHC, Inc	\$101,648 \$164,800 \$162,112	Local CDBG 2004 CDBG 2005	2 rehabilitated houses for homeownership
North Kent Redevelopment	Habitat for Humanity	\$211,560	Local	9 new construction for homeownership
Employer Assisted Housing	City of Winchester Employees	\$109,000	Local	10 opportunities for employee homeownership
Homeownership-Other	To be Identified	\$133,194	Local	To be Identified

Priority 2: Rehabilitation

Activity	Recipient	Funds	Source	Outcomes
Emergency Home Repair	Help with Housing	\$6,124	CDBG 2004	4 repairs for households in Target Area
Volunteer Rehabilitation Program	To be Determined	\$46,376 \$13,624	CDBG 2004 Local	7 minor & 5 major rehabilitations of homes in the Target Area
Rehabilitation Loan Program	To be Determined	\$27,500 \$19,476 \$62,904	CDBG 2004 CDBG 2005 Local	4 minor rehabilitations of homes in the Target Area

Priority 3: Neighborhood Improvements

Activity	Recipient	Funds	Source	Outcomes
Block Renewal Program	N Cameron Street	\$399,024	State CDBG	Sidewalks, Streetlights, Ramps, Landscaping
Block Renewal Program	Piccadilly Street	\$117,852 \$208,289	State CDBG CDBG 2006	Sidewalks, Streetlights, Ramps, Landscaping
Block Renewal Program	S Kent Street	\$74,440	Local	Sidewalks, Streetlights, Ramps, Landscaping
Douglas Park Improvements	n/a	\$50,000	CDBG 2005	Landscaping, Fencing, Equipment
Acquisition	n/a	\$42,000	Local	Properties returned to use (revolving fund)

Outcomes for Specific Activities

The 2006 Annual Action Plan proposes use of funds for the following activities:

Administration:	\$52,072
<u>Neighborhood Improvements:</u>	<u>\$208,289</u>
Total Funds:	\$260,561

Neighborhood Improvements funded with 2006 CDBG funds will include the demolition and replacement of sidewalks, installation of streetlights, handicapped ramps and replacement of trees on Piccadilly Street between North Cameron and North Kent Streets. The completion of this project will result in the completion of the Downtown Revitalization originally funded in part through a CDBG Small Cities Grant awarded by the Virginia Department of Housing and Community Development.

The Downtown Revitalization Project included streetscaping, construction and blight removal in a two block area between North Cameron and North Kent Streets. The project began in coordination with the construction of the Our Health Complex, a One Stop Shop for Health and Human Services. Currently the Complex hosts the Free Medical Clinic, Literacy Volunteers, the Child Parent Center, Healthy Families, Concern Hotline and the United Way. Completion of streetscape project on Piccadilly Street will complete the unfinished portion of the project area.

Reasons for Allocation Priorities

Located in the southwest corner of the CDBG Target Area, the Downtown Revitalization Area is a major corridor for pedestrians accessing the services at the Our Health Complex as well as the services in the Old Town Area including the Department of Social Services, the Police Department and City Hall. The City has identified several corridors for repair in order to increase accessibility to the downtown and to make these core neighborhoods more appealing. The improvements to the Piccadilly Street should make the area a more attractive and safe feeling area.

Obstacles to Addressing Underserved Needs

The City of Winchester has identified a number of needs within the three priority areas and is continuously working to meet those needs. There are several major barriers to addressing the unmet needs in the City:

- Scarcity of funds
 - o The City does not have an adequate pool of resources to address all identified needs. However, the City Council has committed to fund projects when possible that will increase opportunities for homeownership and neighborhood revitalization in the City.
- Limited Staff Resources and Community Capacity
 - o The City has limited staff resources to address the needs identified in the City. Opportunities for additional funding are often limited due to the lack of personnel to pursue them. There are few non-profit organizations with the ability to conceive and implement large scale projects. The City is working with several nonprofit organizations to develop greater capacity for undertaking projects. In addition, the City is examining creative ways to partner with several nonprofits and the private sector to meet the needs of the community.

Funds Planned for Targeted Areas

The City of Winchester identified a Target Area for CDBG funds in the 2004 Consolidated Plan (see attached map). The Target Area is prioritized when identifying activities eligible for CDBG funds. Currently, all Homeownership and Neighborhood Improvement Projects funded with CDBG funds are located in the Target Area. Rehabilitation projects are prioritized based on location and need.

Geographic Distribution

The Block Renewal Program: Piccadilly Streetscape is located within the Target Area, as well as a qualified census tract (1.00). Each block group in census tract 1.00 is also considered low/mod, as each census tract has greater than 51% of residents considered low or moderate income.

Other Actions

The CDBG Program is administered through the Office of Housing and Neighborhood Development (OHND). OHND was created in 2005 as part of a City-wide reorganization. OHND is comprised of existing staff previously working in three different departments. Effectively, the reorganization resulted in a collocation of the CDBG, HUD Housing Choice Voucher and Community Outreach Programs. Since the reorganization, OHND was also tasked with a number of other programs that support the creation and preservation of affordable housing and neighborhood revitalization in the City of Winchester. The three core areas of focus for the office are: Housing Assistance, Neighborhood Revitalization and Community Outreach. Each of these areas includes a number of different programs and projects:

<u>Housing Assistance</u>	<u>Neighborhood Revitalization</u>	<u>Community Outreach</u>
Rental Assistance	Neighborhood Initiative	Housing and Community Resource Center
Rehabilitation Assistance	Spot Blight Abatement	
Homeownership Assistance	Block Renewal Program	Community Partnerships

In addition to the tasks included in the chart above, the Office of Housing and Neighborhood Development works with the City Council appointed Community Development Committee to make policy recommendations to Council regarding housing and community issues. OHND has identified a number of goals in its first strategic plan including outreach to local landlords to increase awareness of and participation in the Housing Choice Voucher Program, Standardization of practices and policies and the creation of an Employer Assisted Housing (homeownership) Program. The following are additional areas in which OHND has become involved. Each are listed on the 2006 Strategic Plan:

Analysis of Impediments to Fair Housing

In 2006 the City will request proposals from qualified organizations to conduct an Analysis of Impediments to Fair Housing. The City will incorporate the findings and

recommendations of this Analysis into the next Action Plan and Consolidated Plan, as well as any other appropriate practices. The City did adopt a resolution to affirmatively further fair housing in 2004, and will continue to support that campaign. The City has hosted a small number of workshops regarding fair housing and will continue to distribute available materials to all partner organizations regarding the importance of fair housing.

Institutional Structure

In the 2004 Consolidated Plan, the City presented an analysis of the community's Institutional Structure with regard to housing and community development needs. Though not exhaustive, the analysis was as comprehensive as possible. Attached is a chart that provides information regarding the current services available to Winchester residents. As a result of the Analysis, OHND has identified gaps in services and will work in the coming year to address those gaps. Possible solutions to filling those gaps may be by enlisting the faith based community, civic organizations and private sector to participate in a number of programs. To date, OHND staff has identified the following needs:

- home maintenance courses
- financial literacy and budgeting
- transitional housing
- general self-sufficiency programs

Homeless and Other Special Populations

The City of Winchester participates in the local Continuum of Care Planning Process. To date, the CoC is organized and managed by Northwestern Community Services. NWCS convenes monthly meetings to share information about services in the community. These meetings are attended by members of the Homeless Advisory Network which represents the entire planning district. Members have served as the CoC planning group for several years. The City of Winchester has become more concerned about the growing homeless population and plans to convene a smaller group of individuals to discuss homeless issues in the City. This group will continue to work with the Homeless Advisory Network as it continues to share information and launches the HMIS in our area. Future goals of this new group may be the adoption of an Anti-Poverty Strategy as well as a more comprehensive menu of services available to homeless individuals and families. Although an Anti-Poverty Strategy may not directly impact the current homeless, the strategy would assist in homeless prevention and provide a roadmap for creating opportunities for those at risk. The City will include an Anti-Poverty Strategy in its next submission of a Consolidated Plan (scheduled 2009).

Lead-Based Paint Hazards

Lead-Based Paint Hazards are of major concern to housing and health officials in Winchester. The majority of the housing stock in Winchester was built prior to 1940, and the City has been identified as a high-risk zip code area. though few cases of elevated blood lead levels have been reported, we are confident that more will be with the increased number of renovations in the City and required screening of all children entering kindergarten in the public schools for elevated blood lead levels (as mandated by the Virginia Department of

Education). In 2005, the City of Winchester adopted a Rental Inspection Ordinance that requires inspection of rental property in certain areas of the City. One member of the Inspections Department and OHND are registered to attend Lead Training through the Virginia Department of Housing and Community Development. The City has quarterly meetings with the Director and Environmental Specialist with the Regional Health Department to discuss strategies for addressing lead-based paint issues.

Monitoring

The Office of Housing and Neighborhood Development is responsible for monitoring all activities funded by the CDBG Program. Monitoring includes ensuring compliance of the City (Grantee) with all applicable regulations associated with the Program. In addition, the City often contracts with partner organizations (Subrecipients) to undertake specified activities. In those cases, OHND will monitor the progress and administrative systems of the Subrecipient to ensure compliance with all applicable program requirements. OHND assumes the responsibility of maintaining all records associated with activities and has the full support of other departments including the City Attorney's Office, the Finance and Information Technology Departments and any other departments as needed to ensure the success of all activities funded with CDBG.

The City Attorney and Purchasing Agent play an active role in executing all Subrecipient Agreements in order to satisfy local, state and federal guidelines. When appropriate, agreements will contain references to specific federal requirements as described in the reference manual: "Managing CDBG: A Guidebook for Grantees on Subrecipient Oversight". During the course of the Agreement period, Subrecipients are required to submit reports regarding the status of the project. In addition, OHND staff will make periodic visits to monitor the progress of the project as well as the administrative systems in place to confirm the reported progress of the project. OHND will review and process all requests for payment from subrecipients and submit to the Finance Department for final review and approval. In addition, OHND will initiate all draws from HUD in IDIS, and the Assistant Finance Director will approve them.

Overall timeliness of the projects will be monitored through regular data entry into the IDIS and reported formally on an annual basis through the process of submitting the CAPER. The City will follow guidance provided in "Ensuring CDBG Subrecipient Timeliness: Guidelines for Grantee Selection, Management and Oversight of Subrecipients in the Community Block Grant Program". The City reserves the right in all Agreements to terminate if noncompliance of a subrecipient is discovered and corrective action is not pursued.

Hold for map

hold for housing provider matrix (2)

Hold for application for federal assistance

Listing of Funding Sources

Entitlement Grant CDBG	\$260,361
Prior Years' Program Income NOT Previously Programmed or Reported	\$0
Reprogrammed Prior Years' Funds	\$0
Total Estimated Program Income	\$0
Other Funds	\$367,852
Total Funding Sources	\$628,213
Submitted Proposed Projects Totals	\$528,765
Unsubmitted Proposed Projects Totals	\$99,448

hold for listing of proposed projects

Certifications